

INMATE TELECOMMUNICATIONS AGREEMENT
Regulatory Compliance Amendment

This Amendment, entered into the 29 of JAN 2014, between **Davidson County and the Sheriff of Davidson County** of the one part, hereinafter collectively "**Sheriff**," and **Pay Tel Communications, Inc.** of the other part, hereinafter "**Pay Tel**," modifies the Inmate Telecommunications Agreement dated March 12, 1996, and Addendums dated February 1, 2000, December 6, 2005, and February 23, 2010 (hereafter referred to as the "**Agreement**"). In anticipation of mandated changes to regulations governing Inmate Telephone Service and in consideration of the mutual promises and covenants contained herein, Pay Tel and Sheriff hereby agree to modify the Agreement as follows:

1. Term: The current term ending March 12, 2015, will be extended four (4) years, to and including March 12, 2019. After the renewed term this Agreement shall be automatically renewed for successive five (5) year terms unless written notice of intent to terminate is given by either party no more than 120 days and not less than 60 days prior to the expiration of the then current term. Section 3.1 of the Agreement is deemed amended consistent with the foregoing.

2. Section 5.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

5.3 The parties acknowledge that the Agreement is subject to the provisions of governing state and federal law and regulations, and Pay Tel agrees to provide Services in full compliance with all applicable rules and regulations of the Federal Communications Commission and any applicable State regulatory agency. In the event that such laws or regulations conflict with or are inconsistent with the terms of this Agreement, the provisions of applicable law shall control and supersede the contrary provisions of this Agreement. Pay Tel will provide twenty (20) days prior written notice of any such required changes which shall be deemed incorporated into this Agreement by reference unless objected to in writing by Sheriff within twenty (20) days after receipt of notice, in which case Sheriff's objection will be resolved by application of the dispute resolution provision of Section 6.2.

3. Section 6.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

6.2 In addition to disputes arising under Section 5.3, in the event that any state or federal legislative, regulatory, judicial or other legal action (a) materially affects any terms of this Agreement or the ability of Pay Tel to perform any terms of this Agreement, or (b) would make Pay Tel's compliance with its obligations under this Agreement, in Pay Tel's reasonable judgment, no longer economical or feasible, Pay Tel may provide written notice of such facts to Sheriff and the parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event negotiations are not resolved within forty-five (45) days of notice, either party may submit the dispute for resolution pursuant to the dispute resolution provisions of this Agreement or alternatively, Pay Tel may terminate this agreement on thirty (30) days' notice to Sheriff.

4. Except as expressly modified by this Regulatory Compliance Amendment, the provisions and conditions of the Agreement, including all Exhibits shall remain in full force and effect.

DAVIDSON COUNTY NORTH CAROLINA
By: [Signature] (Seal)
By: David S. Davis (Printed)
Authorized Agent for Sheriff

Date: 1-29-14
Attest: [Signature]

PAY TEL COMMUNICATIONS, INC.:
By: [Signature] (Seal)
By: Vincent Townsend (Printed)

Date: 2/5/2014
Attest: [Signature]
Account Representative: Phil Ellis